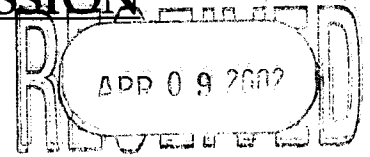


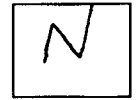
4/10/02 2001 assessment db updated cm

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ARIZONA CORPORATION  
COMMISSION



**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**



E-01787A  
NAVOPACHE ELECTRIC COOPERATIVE, INC.  
P. O. BOX 308  
LAKESIDE AZ 85929-0000

**ANNUAL REPORT**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2001</b>
-----------	-----------	-------------

*Entered  
4-10-02  
cm*

FOR COMMISSION USE

<b>ANN 0 /</b>	<b>01</b>
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## COMPANY INFORMATION

**Company Name (Business Name)** NAVOPACHE ELECTRIC COOPERATIVE, INC.

**Mailing Address** 1878 W WHITE MOUNTAIN BLVD

(Street)

LAKESIDE

ARIZONA

85929

(City)

(State)

(Zip)

(928) 368-5118

(928) 368-6038

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** podair@navopache.org

**Local Office Mailing Address** PO BOX 308

(Street)

LAKESIDE

ARIZONA

85929

(City)

(State)

(Zip)

(928) 368-5118

(928) 368-6038

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** PAUL O'DAIR MANAGER OF FINANCIAL SERVICES

(Name)

(Title)

1878 W WHITE MOUNTAIN BLVD

LAKESIDE

ARIZONA

85929

(Street)

(City)

(State)

(Zip)

(928) 368-5118 ext. 206

(928) 368-6038

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** podair@navopache.org

**On Site Manager:** WAYNE A RETZLAFF

(Name)

1878 W WHITE MOUNTAIN BLVD

LAKESIDE

ARIZONA

85929

(Street)

(City)

(State)

(Zip)

(928) 368-5118

(928) 368-6038

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** wretzlaff@navopache.org

**Statutory Agent:** MARILYNN SHORT

(Name)

1878 W WHITE MOUNTAIN BLVD

(Street)

LAKE SIDE

(City)

ARIZONA

(State)

85929

(Zip)

(928) 368-5118

Telephone No. (Include Area Code)

(928) 368-6038

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** MARTINEZ & CURTIS PC

(Name)

2717 N SEVENTH ST

(Street)

PHOENIX

(City)

ARIZONA

(State)

85006

(Zip)

(602) 248-0372

Telephone No. (Include Area Code)

(602) 266-8290

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☒ Other (Describe) CORPORATION - ELECTRIC COOPERATIVE

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☒ APACHE

☐ COCHISE

☐ COCONINO

☒ GILA

☐ GRAHAM

☒ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☒ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

## SERVICES AUTHORIZED TO PROVIDE

Check the following box/s for the services that you are authorized to provide:

☒ **Electric**

- ☐ Investor Owned Electric
- ☒ Rural Electric Cooperative
- ☐ Utility Distribution Company
- ☐ Electric Service Provider
  - ☐ Transmission Service Provider
  - ☐ Meter Service Provider
  - ☐ Meter Reading Service Provider
  - ☐ Billing and Collection
  - ☐ Ancillary Services
  - ☐ Generation Provider
  - ☐ Aggregator/Broker

☐ **Telecommunications**

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☐ **Gas**

- ☐ Natural Gas
- ☐ Propane

☐ **Other** (Specify) \_\_\_\_\_

## STATISTICAL INFORMATION

### TELECOMMUNICATION UTILITIES ONLY

Total residential access lines	_____
Total business access lines	_____
Total revenue from Arizona operations	\$ _____
Total income from Arizona operations	\$ _____
Value of assets used to serve Arizona customers	\$ _____
Accumulated depreciation associated with those assets	\$ _____

## STATISTICAL INFORMATION (CONT'D)

### ELECTRIC UTILITY PROVIDERS ONLY

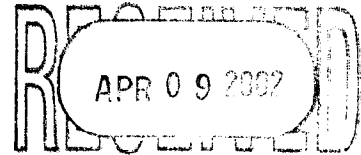
Total number of customers	31,169	
Residential	28,065	
Commercial	2,834	
Industrial	5	
Public street and highway lighting	23	
Irrigation	242	
Resale		
Total kilowatt-hours sold	313,235,606	kWh
Residential	158,791,011	
Commercial	111,733,755	
Industrial	32,115,660	
Public street and highway lighting	826,309	
Irrigation	9,768,871	
Resale		
Maximum Peak Load	55,658	MW

### GAS UTILITIES ONLY

Total number of customers		
Residential		
Commercial		
Industrial		
Irrigation		
Resale		
Total therms sold		therms
Residential		
Commercial		
Industrial		
Irrigation		
Resale		

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

ARIZONA CORPORATION  
COMMISSION



**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	Director of Utilities
NAVAJO	
NAME (OWNER OR OFFICIAL) TITLE	
PAUL O'DAIR, MANAGER OF FINANCIAL SERVICES	
COMPANY NAME	
NAVOPACHE ELECTRIC COOPERATIVE, INC.	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**


IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 27,794,083

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 1,708,295  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)**

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
(928) 368-5118  
\_\_\_\_\_  
TELEPHONE NUMBER


SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

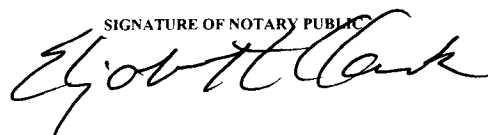
THIS 8<sup>th</sup> DAY OF

COUNTY NAME	
Navajo	
MONTH	20 <u>02</u>
April	

(SEAL)

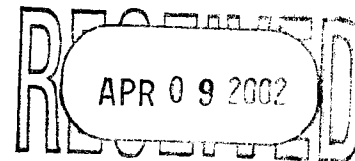
MY COMMISSION EXPIRES  
 OFFICIAL SEAL  
**ELIZABETH CLARK**  
Notary Public - State of Arizona  
NAVAJO COUNTY  
My Comm. Expires April 25, 2003

SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION  
COMMISSION



STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME)		Director of Utilities
NAME (OWNER OR OFFICIAL)	n/a	TITLE
COMPANY NAME		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ n/a

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ \_\_\_\_\_  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

X n/a  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

--

DAY OF

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	20

(SEAL)

MY COMMISSION EXPIRES

X \_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

## FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2001) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**



Navopache Electric Cooperative, Inc.  
ACC Utilities Division

**ARIZONA ESTIMATE ONLY - INTERNAL USE ONLY**

2001					
	statement of operations item	SYSTEM	NEW MEXICO ESTIMATE		ARIZONA ESTIMATE
1	operating revenue	\$27,490,921	\$942,430	1	\$26,548,491
3	cost of power	\$14,839,641	\$430,990	1	\$14,408,651
4	transmisson expense	\$152,457	\$19,869	6	\$132,588
5	dist expense - operations	\$2,306,492	\$300,593	6	\$2,005,899
6	dist expense - maintenance	\$1,222,778	\$159,359	6	\$1,063,419
7	consumer accounts expense	\$2,139,511	\$97,094	5	\$2,042,417
8	customer service & info.	\$319,043	\$14,479	5	\$304,564
9	sales expense	\$148,238	\$6,727	5	\$141,511
10	administrative & general	\$3,040,248	\$137,970	5	\$2,902,278
11	<b>TOTAL OPERATIONS</b>	<b>\$24,168,408</b>	<b>\$1,167,080</b>		<b>\$23,001,328</b>
12	depreciation & amortization	\$2,364,826	\$123,052	2	\$2,241,774
13	tax expense - property	\$9,109	\$413	1	\$8,696
14	tax expense - other	\$16,185	\$578	1	\$15,607
15	interest expense long term	\$1,709,757	\$88,966	2	\$1,620,791
17	interest expense other	\$356,939	\$16,198	5	\$340,741
18	other deductions	\$16,092	\$730	5	\$15,362
19	<b>COST OF ELECTRIC SERVICE</b>	<b>\$28,641,316</b>	<b>\$1,397,017</b>		<b>\$27,244,299</b>
20	<b>OPERATING MARGINS</b>	<b>(\$1,150,395)</b>	<b>(\$454,588)</b>		<b>(\$695,807)</b>
21	non-operating margins interest	\$137,294	\$7,144	2	\$130,150
	non-operating margins	(\$221,395)	(\$10,047)	5	(\$211,348)
25	G&T capital credits	\$0	\$0	7	\$0
26	other capital credits	\$110,609	\$5,755	2	\$104,854
27	extraordinary items	\$0	\$0	10	\$0
28	<b>MARGINS</b>	<b>(\$1,123,887)</b>	<b>(\$451,735)</b>		<b>(\$672,152)</b>
	TIER	0.46	(3.30)		0.66

ARIZONA ESTIMATE ONLY - INTERNAL USE ONLY

2001

	balance sheet item	SYSTEM	NEW MEXICO ESTIMATE		ARIZONA ESTIMATE
1	total utility plant	\$71,929,548	\$3,929,728	1	\$67,999,820
2	construction wip	\$3,592,544	\$211,819	1	\$3,380,725
3	total utility plant	\$75,522,092	\$4,141,547		\$71,380,545
4	depreciation & amort.	\$30,542,763	\$1,531,271	1	\$29,011,492
5	<b>net utility plant</b>	<b>\$44,979,329</b>	<b>\$2,610,276</b>		<b>\$42,369,053</b>
8	Invest. in Asso. Org. patronage	\$605,856	\$16,835	7	\$589,021
9	Invest. in Assoc. org. other general	\$247,346	\$12,870	2	\$234,476
10	Invest. in Assoc. org. other non-general	\$1,360,350	\$70,785	2	\$1,289,565
12	other investments	\$68,936	\$0	1	\$68,936
13	special funds	\$0	\$0	5	\$0
14	<b>total other property &amp; investments</b>	<b>\$2,282,488</b>	<b>\$100,490</b>		<b>\$2,181,998</b>
15	cash - general funds	\$85,637	\$660	1	\$84,977
16	cash construction funds	\$0	\$0	1	\$0
17	special deposits	\$195,825	\$0	1	\$195,825
18	temporaty investments	\$2,370,546	\$123,349	2	\$2,247,197
19	notes receivable - net	\$13,516	\$613	8	\$12,903
20	accounts receivable net	\$1,215,742	\$55,172	8	\$1,160,570
21	accounts receivable net other	\$2,176,538	\$98,774	8	\$2,077,764
22	materials and supplies	\$1,772,931	\$38,085	1	\$1,734,846
23	prepayments	\$103,164	\$5,217	1	\$97,947
24	other current and accrued assets	\$155,101	\$8,071	2	\$147,030
25	<b>total current and accrued assets</b>	<b>\$8,089,000</b>	<b>\$329,941</b>		<b>\$7,759,059</b>
	deferred debits	\$261,165	\$13,589	2	\$247,576
29	<b>TOTAL ASSETS &amp; OTHER DEBITS</b>	<b>\$55,611,982</b>	<b>\$3,054,296</b>		<b>\$52,557,686</b>
30	memberships	\$135,415	\$7,323	1	\$128,092
31	patronage capital	\$11,480,148	\$1,171,142	1	\$10,309,006
33	operating margins	(\$3,807,275)	(\$454,588)	1	(\$3,352,687)
34	non-operating margins	(\$84,101)	\$2,852	1	(\$86,953)
35	other margins & equities	\$738,162	\$33,499	5	\$704,663
	<b>total margins and equities</b>	<b>\$8,462,349</b>	<b>\$760,228</b>		<b>\$7,702,121</b>
37	long-term debt REA	\$22,988,474	\$1,196,186	2	\$21,792,288
40	long-term debt other	\$7,409,154	\$385,529	2	\$7,023,625
	<b>total long term debt</b>	<b>\$30,397,628</b>	<b>\$1,581,715</b>		<b>\$28,815,913</b>
43	accumulated operating provisions	\$399,053	\$20,764	2	\$378,289
44	<b>total other noncurrent liabilities</b>	<b>\$399,053</b>	<b>\$20,764</b>		<b>\$378,289</b>
45	notes payable	\$6,000,000	\$312,205		\$5,687,795
46	accounts payable	\$1,176,672	\$39,079	1	\$1,137,593
47	customer deposits	\$363,171	\$16,481	5	\$346,690
51	other current & accrued liabilities	\$895,345	\$36,115	1	\$859,230
48	current maturties long term debt	\$1,078,931	\$56,141.26		\$1,022,790
	<b>total current &amp; accrued liabilities</b>	<b>\$9,514,119</b>	<b>\$460,021</b>		<b>\$9,054,098</b>
54	deferred credits	\$6,838,833	\$231,568	1	\$6,607,265
	<b>TOTAL LIABILITIES &amp; OTHER CREDITS</b>	<b>\$55,611,982</b>	<b>\$3,054,296</b>		<b>\$52,557,686</b>

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL UTILITIES SERVICE

**FINANCIAL AND STATISTICAL REPORT**

INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.

*This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.*

BORROWER DESIGNATION

AZ0013

PERIOD ENDED

12/2001

BORROWER NAME AND ADDRESS

NAVOPACHE ELEC COOP INC

P.O. Box 308

1878 W. White Mtn Blvd, HWY 260

Lakeside, AZ 85929-

**CERTIFICATION**

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

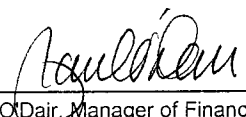
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

**ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.**

**DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII**  
(check one of the following)

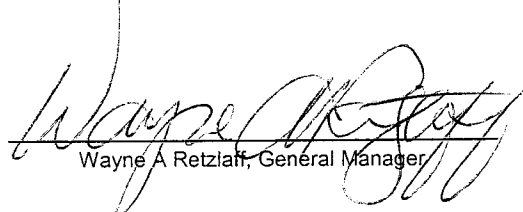
☐ All of the obligations under the RUS loan documents have been fulfilled in all material respects

☒ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

  
Paul O'Dair, Manager of Financial Services

02/21/2002

DATE

  
Wayne A. Retzlaff, General Manager

02/21/2002

DATE



[illegible]

USDA-RUS		BORROWER DESIGNATION	
FINANCIAL AND STATISTICAL REPORT		AZ0013	
		PERIOD ENDED	
INSTRUCTIONS-See RUS Bulletin 1717B-2		12/2001	
Part C. Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1 Total Utility Plant in Service	71,929,548	29 Memberships	135,415
2 Construction Work in Progress	3,592,544	30 Patronage Capital	11,480,148
3 Total Utility Plant (1 + 2)	75,522,092	31 Operating Margins - Prior Years	( 2,767,488)
4 Accum. Provision for Depreciation and Amort.	30,542,763	32 Operating Margins - Current Year	( 1,039,787)
5 Net Utility Plant (3 - 4)	44,979,329	33 Non-Operating Margins	( 84,101)
6 Non-Utility Property (Net)	0	34 Other Margins and Equities	738,162
7 Investments in Subsidiary Companies	0	35 Total Margins & Equities (29 thru 34)	8,462,349
8 Invest. in Assoc. Org. - Patronage Capital	605,856	36 Long-Term Debt - RUS (Net)	22,988,474
9 Invest. in Assoc. Org. - Other - General Funds	247,346	(Payments - Unapplied)	0
10 Invest. in Assoc. Org. - Other - Nongeneral Funds	1,360,350	37 Long-Term Debt - RUS - Econ. Devel. (Net)	0
11 Investments in Economic Development Projects	0	38 Long-Term Debt - FFB - RUS Guaranteed	0
12 Other Investments	68,936	39 Long-Term Debt - Other - RUS Guaranteed	0
13 Special Funds	0	40 Long-Term Debt Other (Net)	7,409,154
14 Total Other Property & Investments (6 thru 13)	2,282,488	41 Total Long-Term Debt (36 thru 40)	30,397,628
15 Cash - General Funds	85,637	42 Obligations Under Capital Leases - Noncurrent	0
16 Cash - Construction Funds - Trustee	0	43 Accumulated Operating Provisions	399,053
17 Special Deposits	195,825	44 Total Other Noncurrent Liabilities (42 + 43)	399,053
18 Temporary investments	2,370,546	45 Notes Payable	6,000,000
19 Notes Receivable (Net)	13,516	46 Accounts Payable	1,176,672
20 Accounts Receivable - Sales of Energy (Net)	1,215,742	47 Consumers Deposits	363,171
21 Accounts Receivable - Other (Net)	2,176,538	48 Current Maturities Long-Term Debt	1,078,931
22 Materials and Supplies - Electric & Other	1,772,931	49 Current Maturities Long-Term Debt-Economic Development	0
23 Prepayments	103,164	50 Current Maturities Capital Leases	0
24 Other Current and Accrued Assets	155,101	51 Other Current and Accrued Liabilities	895,345
25 Total Current and Accrued Assets (15 thru 24)	8,089,000	52 Total Current & Accrued Liabilities (45 thru 51)	9,514,119
26 Regulatory Assets	0	53 Regulatory Liabilities	0
27 Other Deferred Debits	261,165	54 Other Deferred Credits	6,838,833
28 Total Assets and Other Debits (5+14+25 thru 27)	55,611,982	55 Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	55,611,982

Name of Borrower		Report Year	Report Period
NAVOPACHE ELEC COOP INC (AZ0013)		2001	12
<b>Part D. Notes to Financial Statements</b>			

Navopache Electric Cooperative is in technical default. Navopache recently had a rate adjustment approved with the Arizona Corporation Commission in December 2001.





AZ0013

PERIOD ENDED

12/2001

## Part F. Materials and Supplies

[illegible]

[illegible]



USDA-RUS		BORROWER DESIGNATION	
FINANCIAL AND STATISTICAL REPORT		AZ0013	
		PERIOD ENDED	
INSTRUCTIONS-See RUS Bulletin 1717B-2		12/2001	
Part I. Patronage Capital			
ITEM	DESCRIPTION	This Year (a)	Cumulative (b)
1. Capital Credits Distributions	a. General Retirements	0	2,368,600
	b. Special Retirements	87,544	960,984
	c. Total Retirements (a + b)	87,544	3,329,584
2. Capital Credits Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power	0	
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	85,394	
	c. Total Cash Received (a + b)	85,394	

USDA-RUS  <b>FINANCIAL AND STATISTICAL REPORT</b>	BORROWER DESIGNATION AZ0013	
INSTRUCTIONS-See RUS Bulletin 1717B-2	PERIOD ENDED 12/2001	
<b>Part J. Due From Consumers for Electric Service</b>		
	Amount	
1. AMOUNT DUE OVER 60 DAYS	19,540	
2. AMOUNT WRITTEN OFF DURING YEAR	54,757	

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<b>Part K. kWh Purchased and Total Cost</b>							
Line No.	ITEM (a)	RUS Use Only Supplier Code (b)	kWh Purchased (c)	Total Cost (d)	Average Cost (Cents/kWh) (e)	Included in Total Cost  Fuel Cost Adjustment (f)	Included in Total Cost Wheeling and Other Charges (or credits) (g)
1	Public Service Company of NM	15473	348,464,479	14,839,641	4.26	0	0
2		0	0	0	0.00	0	0
3		0	0	0	0.00	0	0
4		0	0	0	0.00	0	0
5		0	0	0	0.00	0	0
6		0	0	0	0.00	0	0
7		0	0	0	0.00	0	0
8		0	0	0	0.00	0	0
9		0	0	0	0.00	0	0
10		0	0	0	0.00	0	0
11		0	0	0	0.00	0	0
12		0	0	0	0.00	0	0
13		0	0	0	0.00	0	0
14		0	0	0	0.00	0	0
15		0	0	0	0.00	0	0
16		0	0	0	0.00	0	0
17		0	0	0	0.00	0	0
18		0	0	0	0.00	0	0
19		0	0	0	0.00	0	0
20		0	0	0	0.00	0	0
<b>Total</b>			348,464,479	14,839,641	4.26	0	0

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**Part L. Long Term Leases**

Name of Lessor (a)	Type of Property (b)	Rental This Year (c)
City of Springerville	land	75
Phillip Swapp	land	1,000
Jeanne Hatch	land	3,600
Evelyn Jefferies	land	3,600
Hefferson Larson	land	7,200
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
Total		15,475

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Part M. Annual Meeting and Board Data

1. Date of Last Annual Meeting  09/08/2001	2. Total Number of Members  27,083	3. Number of Members Present at Meeting  300	4. Was Quorum Present (Y/N) ?  Y
5. Number of Members Voting by Proxy or Mail  1,968	6. Total Number of Board Members  8	7. Total Amount of Fees and Expenses for Board Members  130,305	8. Does Manager Have Written Contract (Y/N) ?  N





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<b>Part O. Power Requirements Data Base - Annual Summary</b>				
CLASSIFICATION	Consumer Sales & Revenue Data	December (a)	Average No. Consumers Served (b)	Total Year to Date (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	18,842	18,404	
	b. kWh Sold			131,174,894
	c. Revenue			11,632,315
2. Residential Sales - Seasonal	a. No. Consumers Served	10,488	10,430	
	b. kWh Sold			33,593,511
	c. Revenue			3,755,229
3. Irrigation Sales	a. No. Consumers Served	252	235	
	b. kWh Sold			9,868,637
	c. Revenue			802,513
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	3,031	2,993	
	b. kWh Sold			114,565,265
	c. Revenue			9,108,112
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	5	5	
	b. kWh Sold			32,115,660
	c. Revenue			1,657,114
6. Public Street & Highway Lighting	a. No. Consumers Served	23	23	
	b. kWh Sold			870,359
	c. Revenue			56,501
7. Other Sales to Public Authorities	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
8. Sales for Resales - RUS Borrowers	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
9. Sales for Resale - Other	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
10. TOTAL No. of Consumers (lines 1a thru 9a)		32,641	32,090	
11. TOTAL kWh Sold (lines 1b thru 9b)				322,188,326
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)				27,011,784
13. Other Electric Revenue				479,137
14. kWh - Own Use				981,229
15. TOTAL kWh Purchased				348,464,479
16. TOTAL kWh Generated				0
17. Cost of Purchases and Generation				14,992,098
18. Interchange - kWh - Net				0
19. Peak - Sum All kW Input (Metered)				55,658
Non-coincident <input checked="" type="checkbox"/> Coincident <input type="checkbox"/>				

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7a - Part I. Investments					
Line No.	Description (a)	Included (\$) (b)	Excluded (\$) (c)	Income or Loss (\$) (d)	Rural Development (e)
<b>2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS</b>					
1	CFC Patronage Capital	305,296	0	85,394	
2	ERMCO Patronage Capital	26,066	0	0	
3	CSI Patronage Capital	273,256	0	0	
4	NISC Patronage Capital	872	0	0	
5	Touch Stone	366	0	0	
6	CSI Membership	100	0	0	
7	CSI Equity	166,541	0	0	
8	Federated Stock	80,405	0	0	
9	Plaines G&T Membership	100	0	0	
10	ERMCO Membership	100	0	0	
11	GCSECA Membership	100	0	0	
12	CFC Capital Term Certificates	0	1,360,350	0	
<b>Total: 2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS</b>		<b>853,202</b>	<b>1,360,350</b>	<b>85,394</b>	
<b>4. OTHER INVESTMENTS</b>					
13	RUS ERC weatherization loans	68,936	0	3,179	
<b>Total: 4. OTHER INVESTMENTS</b>		<b>68,936</b>	<b>0</b>	<b>3,179</b>	
<b>6. CASH - GENERAL</b>					
14	NEC working funds	2,350	0		
15	General Cash - Bank One	-55,292	0		
16	General Cash - Wells Fargo	22,507	0		
17	General Cash - Capital Credits	2,492	0		
18	General Cash - Payroll	999	0		
19	General Cash - 125 MRB	13,091	0		
20	General Cash - Catron	2,380	0		
21	General Cash - Transfers Collections	498	0		
22	General Cash - Community First	96,612	0		
<b>Total: 6. CASH - GENERAL</b>		<b>85,637</b>	<b>0</b>		
<b>7. SPECIAL DEPOSITS</b>					
23	Arizona Corpotation Commission DSM	195,825	0		
<b>Total: 7. SPECIAL DEPOSITS</b>		<b>195,825</b>	<b>0</b>		
<b>8. TEMPORARY INVESTMENTS</b>					
24	Bank One Treasury Sweep	0	2,370,546		
<b>Total: 8. TEMPORARY INVESTMENTS</b>		<b>0</b>	<b>2,370,546</b>		
<b>9. ACCOUNTS &amp; NOTES RECEIVABLE - NET</b>					
25	Notes Reveivable	13,516	0	759	
26	Accounts Receivabel - Other	53,844	0	0	
27	PNM Market Energy Index	2,122,694	0	0	
<b>Total: 9. ACCOUNTS &amp; NOTES RECEIVABLE - NET</b>		<b>2,190,054</b>	<b>0</b>	<b>759</b>	
28					
29					
30					

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Line No.	Description (a)	Included (\$) (b)	Excluded (\$) (c)	Income or Loss (\$) (d)	Rural Development (e)
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52					
53					
54					
55					
56					
57					
58					
59					
60					
11. TOTAL INVESTMENTS		3,393,654	3,730,896	89,332	

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7a - Part II. Loan Guarantees/Part III. Ratio

Line No.	Organization (a)	Maturity date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Rural Development (e)
1			0	0	
2			0	0	
3			0	0	
4			0	0	
5			0	0	
6			0	0	
7			0	0	
8			0	0	
9			0	0	
10			0	0	
TOTALS			0	0	
TOTAL (included Loan Guarantees only)			0	0	

Ratio of Investments and Loan Guarantees to Utility Plant [Total of Included Investments (Part I, 11b) and Loan Guarantees - Loan Balance (Part II, 5d) to Total Utility Plant (Form 7, Part C, Line 3)]

4.4 %

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<b>7a - Part IV. Loans</b>					
Line No.	Organization (a)	Maturity date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Rural Development (e)
1	Employees, Officers, Directors		25,456	13,516	
2	Energy Resource Conservation Loans		88,500	68,936	
3			0	0	
4			0	0	
5			0	0	
6			0	0	
7			0	0	
8			0	0	
9			0	0	
10			0	0	
11			0	0	
12			0	0	
13			0	0	
14			0	0	
15			0	0	
TOTALS			113,956	82,452	